<div align="center">

Technology Customer Council Meeting
Minutes of April 11, 2006

</div>

<div align="right">

F i n a l

</div>

Present: Greg Wright, Steve Mosena, Leon Schwartz (by phone), Rich Jacobs, Jan Evans, Judy Peters (for Erv Fett), Marv Van Haaften, Larry Murphy, Roberta Polzin, Carl Martin, Keith Greiner

Absent: Joel Lunde, Margaret Thomson

Guests: Greg Fay, Lorrie Tritch, Mollie Anderson, Deb Madison, Pat Deluhery, Julie Sterk, Laura Riordan, Diane Van Zante (recorder)

1. **Call to Order** – Greg Wright, Chair, called the meeting to order. It was noted that a quorum of members was present.

2. **Review and Approve Minutes of March 14, 2006** – Greg Wright.
   Larry Murphy moved approval of the March minutes; Steve Mosena seconded the motion. An oral vote was taken, unanimously approving the minutes as written.

3. **Information Security Office (ISO) Utility Discussion** – All.
   FY07 Funding - Greg Wright noted that in response to a request for feedback on the proposed utility, comments had been submitted by small, medium, and large agencies. DAS Director, Mollie Anderson, stated that initially the Council's task was to recommend placement of services into one of three categories: marketplace, utility, or leadership. Determination of the appropriate placement becomes increasingly important when funding is an issue. The legislature distributed the money for utilities depending upon base revenue needs in each of the departments. The dilemma is that some utilities should be leadership functions and some marketplace services should be utilities. Mollie summarized the comments that were submitted: People are still frustrated with the model, it is an unfunded mandate, DAS is trying to administer legislation passed by the legislative body, people generally believe that the ISO is important, technology is important, and that there is a need to ensure that technology systems are protected, but agencies don't have the money to pay for the services and are forced to make choices not to fund other things. Most agencies believe that the ISO is a leadership function and should be funded by an appropriation. The Governor decided that information technology security is important, but it appears that the program will not be funded by the legislature this year. Thus, DAS must determine: 1) is the system/service needed, 2) is the prescribed option the best way to provide the service, 3) is the proposed price a fair one, and 4) what is the fairest way to distribute the cost to the agencies. Some parties contend that information security should be part and parcel of IT services, an indirect cost. If the ISO is not funded by the legislature and the Technology Customer Council chooses not to approve it, we must be ready to defend that decision. Council members should consider not only how this proposal affects their department, but how it affects the enterprise as a whole. Customers are very frustrated with the

entrepreneurial model; they feel that the legislature is shirking its responsibility and pushing it off on the Council.

Comments on the Proposed ISO from Council Members and Partner Agencies:
o Some are wondering if this is a duplication of something that is already out there. Will the services received be appropriate for the price?
o Budgets keep getting smaller, but this is basic safety; perhaps another model would be easier to deal with.
o The legislature has refused to support leadership functions, so how do you deal with it?
o There is support for the service, but it should be a leadership function.
o It was in the Governor's recommendation originally, but it doesn't appear to have legislative support. Customers seem to be saying we don't want any additional expense.
o What changes with this proposal (how is this different than what we're doing now)?
o There is no change, it is simply that alternate funding methods are running out.
o Small agencies feel the ISO is important, but they are opposed to the utility fee (cost, duplicative services, should be funded by an appropriation).
o Five of fifteen medium agencies responded. Their arguments were not strong enough to cause a change of opinion.
o DOT believes the ISO should be funded by an appropriation and would like to see some performance measures.
o Based on the current model, DHS would pick up 24% of the cost. There is a concern about how that will look to the federal government.
o Will we get our proportionate share?
o We do have performance measures, the difficulty is that when there are no problems (i.e., nothing bad happens), it is not viewed as a Herculean effort.
o Keep in mind that whatever we do for FY07, we need to follow up quickly for FY08.

Greg Fay is to form a subcommittee and come back to the Council with 3-4 specific areas of accountability (example: audits, training, blocked attempts). It was also suggested that agencies be polled to determine what would make them feel that they received the service they wanted/needed.

There is some feeling that the legislative body will eliminate all leadership functions and move everything to a "cost of doing business" basis. Director Anderson encouraged council members to find some vehicle to let the legislature know their thoughts and concerns. One possible option is to prepare a position paper on the concept of utilities, but the legislature doesn't seem to want to fund the ISO on either side, as a utility or a leadership function.

Rich Jacobs and Larry Murphy made a motion to affirm the Council's prior action (from the March meeting) as stated below:

o The creation of a utility service for the ISO
o Acceptance of an allocation formula based upon an FTE basis; the Council accepts the $248,000 figure, subject to council members distributing the information to customer agencies in time for them to respond prior to the next meeting.

There was no further discussion. An oral vote was taken and recorded as follows:

Ayes: Greg Wright, Steve Mosena, Leon Schwartz, Rich Jacobs, Marv Van Haaften, Larry Murphy, Roberta Polzin, Keith Greiner

Nays: Carl Martin, Jan Evans, Judy Peters

Abstentions: None

The motion passed.

Mollie inquired how the Council would communicate its decision back to the partner agencies. It was decided that the Council Chair would prepare a note to be sent to all agencies, summarizing the discussion. The message should be framed in the appropriate context; the ISO is not a new service, but the continuation of an existing one. Agencies' concerns were heard. The note should include the fact that the Governor did ask for this in his appropriation request.

If DAS schedules meetings with individual agencies to apprise them of the new utility, Larry Murphy is interesting in attending any meetings with elected officials or the Legislative Services Agency, etc.

The ISO should have a set of performance measures and should document its accomplishments. Council members discussed the possibility of forming a subcommittee to create performance measurements, but decided to have Greg Fay pull together a first draft. If the need arises, Greg will call upon Keith Greiner and other council members to assist him with this project.

FY08 ISO Funding - Preliminary financials for FY08 are not yet complete. FY08 funding will be addressed at the next meeting.

4. **Preliminary Financials for Common Directory -** Preliminary financials for FY08 are not yet complete. FY08 rates will be addressed at the next meeting.

5. **Update Information/Action Needed Related to Customer Council Chairs/Vice-Chairs Meeting** – Greg Wright.
   The customer council chairs and vice chairs held a conference call to share activities and challenges. There was consensus among the group that regular communication would be helpful. The following motion was formed along with the recommendation that each council formally approve it.

   > The Information Technology Customer Council hereby authorizes its chairperson and vice-chairperson to meet with the chairs and vice-chairs of the other customer councils and to jointly pursue common concerns with the Department of Administrative Services.

   Greg Wright moved approval; Larry Murphy seconded the motion. An oral vote was taken and unanimously approved.

6. **Other Business** – None.

7. **Wrap-Up, Next Meeting Date –** Greg Wright.
   The next meeting is May 9, 2006 at 1:00 p.m.

   There being no further business, the meeting concluded at 2:08 p.m.